



United States  
Department of  
Agriculture

Farmers  
Home  
Administration

Washington  
D.C.

20250

FmHA AN No. 2032 (1955)

January 3, 1990

■ **SUBJECT:** Maintaining FmHA Farm Inventory Property

**TO:** State Directors, District Directors, and  
County Supervisors

**ATTN:** Farmer Programs Chiefs

**PURPOSE/INTENDED OUTCOME:**

The purpose of this Administrative Notice (AN) is to clarify FmHA Instructions on the actions to be taken by County Offices in the care and maintenance of Farmers Home Administration (FmHA) inventory property. The intended outcome is to re-emphasize the appropriate sections of procedure dealing with the care and maintenance of farm inventory property, and demonstrate to the general public that FmHA inventory properties are promptly secured and actions are taken to maintain the appearance of these properties.

**COMPARISON WITH PREVIOUS ANs:**

No previous ANs have been issued on this subject.

**IMPLEMENTATION RESPONSIBILITIES:**

FmHA inventory farm properties which are in poor condition may discourage prospective buyers in purchasing such farms. Therefore, the following guidance is offered to assist in maintaining farm inventory property until it can be marketed.

Section 1955.62 of FmHA Instruction 1955-B outlines the actions which must be taken to remove and dispose of non-security personal property from inventory farm property.

**EXPIRATION DATE:** October 31, 1990

**FILING INSTRUCTIONS:**  
Preceding FmHA  
Instruction 1955-B



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Complaints of discrimination should be sent to:  
Secretary of Agriculture, Washington, D.C. 20250

Section 1955.64 of FmHA Instruction 1955-B outlines the steps servicing officials must take to improve the marketability of farm property when FmHA acquires title and all prior owners/operators rights have been extinguished.

Buildings which are considered as health and/or safety hazards should be handled as outlined in Section 1955.64(a) of FmHA Instruction 1955-B and either be repaired or razed. This determination should follow the guidance outlined in Section 1955.64(a)(3) which also discusses soil, water and wildlife conservation measures.

In an effort to improve the marketability of inventory farms, maintenance and repairs must be made, which will improve their overall appearance and general condition. This may include the following:

1. Repairing the roof on essential farm buildings, including dwellings.
2. Replacing damaged or broken windows and doors.
3. Repairing an existing water and sewage systems, if necessary.
4. If needed, painting of a dwelling or essential buildings.
5. General clean-up, e.g., removal of junk equipment, the mowing of grass around buildings and fence rows, etc.

As a minimum, farm inventory property must be managed to remove toxic or chemical wastes (including removal of lead base paint contamination), and control any noxious weed infestations.

The items mentioned above can be accomplished through the use of contracting authorities found in FmHA Instruction 1955-B and FmHA Instruction 2024-A.

Management of FmHA farm inventory and/or custodial property is governed by provisions outlined in section 1955.65 of FmHA Instruction 1955-B. Repair contracts may be utilized to comply with Section 1955.64(a) of FmHA Instruction 1955-B. To assist the County Office in the care and management of farm inventory property, the County Supervisor may wish to consider soliciting for one contractor to handle both the repair and maintenance of farm inventory property. However, under Section 1955.65(c)(3)

a contractor providing management services who prepares repair specifications cannot do the actual repair work.

If you should have any questions, please contact Gary West of the Farmer Programs Loan Servicing and Property Management Division at FTS 382-1976 or commercial (202) 382-1976.

A handwritten signature in black ink, appearing to read 'Neal Sox Johnson', with a large, stylized initial 'N'.

NEAL SOX JOHNSON  
Acting Administrator

Sent by Time Delay Option to States at 12pm on 1/4; to District at 2pm on 1/4; and Counties at 4pm on 1/4 by ASD.